U.S. ENVIRONMENTAL PROTECTION AGENCY

PUBLIC NOTICE AND OPPORTUNITY TO COMMENT DRAFT HAZARDOUS WASTE PERMIT TESORO ALASKA PETROLEUM COMPANY KENAI REFINERY EPA NO. AKD 04867 9682

August 12, 2006

ATTENTION: This Public Notice announces the forty-five-day public comment period, through September 26, 2006, for a draft permit determination for post-closure and corrective action for the Tesoro Alaska Petroleum Company in Kenai, Alaska. Details about the permit and where to get more information are included in this Notice.

PURPOSE:

This Public Notice announces the proposal by the U.S. Environmental Protection Agency Region 10 (EPA) to reissue Tesoro Alaska Petroleum Company's permit for post-closure and corrective action, as required by the Resource Conservation and Recovery Act (RCRA). The reissued permit will contain updated monitoring and remediation requirements.

The purpose of this Public Notice and the public participation process is to allow interested persons and other governmental agencies the opportunity to evaluate and make recommendations on the draft permit. The draft permit is available for review at the Kenai Public Library, the Alaska Department of Environmental Conservation (ADEC) office in Soldotna, and the EPA office in Seattle. EPA will accept comments on the draft permit for the next forty-five (45) days, through September 26, 2006. After the comment period is over, the EPA will consider any issues raised in reaching a final permit decision. If requested, a public hearing may be held to take formal comments on the draft permit.

BACKGROUND:

Tesoro Alaska Petroleum Company operates a refinery in Kenai, Alaska. Tesoro managed hazardous waste in three surface impoundments which leaked hazardous constituents to the underlying soils and groundwater. The primary constituents released were benzene, toluene, ethyl benzene and xylene. These impoundments were closed and capped in 1989 as landfills leaving hazardous waste in place. They are therefore subject to post-closure monitoring and corrective action. Tesoro also has had releases of hazardous constituents to the soil and groundwater from several other sources on site which require corrective action.

In December of 1995 EPA issued a permit which required Tesoro to conduct post-closure monitoring and corrective action. That permit expired in December of 2005. EPA inspections during that period showed that Tesoro has been in compliance with the permit. Tesoro submitted a reapplication, as required by RCRA, to continue the post-closure monitoring and remediation. This permit action proposes to reissue the permit with updated monitoring and remediation requirements. The reissued permit will extend for another ten-year period. The draft permit is based on an administrative record which is available to the public for review at the EPA Region 10 Office.

YOU HAVE A CHANCE TO PARTICIPATE:

Interested persons are invited to submit written comments concerning the proposed permit action. Public comments will be accepted for forty-five (45) days after the posting of this notice, from August 12 2006 through September 26, 2006. Comments should include all reasonable available references, factual grounds and supporting material. A copy of the draft permit is available for review Monday through Friday between the hours of 8:00 a.m. and 4:00 p.m. at the following locations:

Kenai Community Library 163 Main Street Loop Kenai, Alaska, 99611

Alaska Department of Environmental Conservation 35390 Kalifornsky Beach Rd., Suite 11 Soldotna, Alaska 99669

U.S. EPA Region 10 (9-12 noon and 1-2:30 p.m. only) 10th Floor Library 1200 Sixth Avenue Seattle, Washington 98101

If interest is expressed in holding a public hearing, the EPA will conduct a public hearing, which will be held on Thursday, September 21, at 7:00 p.m. at Nikiski Fire Station #1, Mile 17.9, Kenai Spur Highway, Kenai, Alaska.

The hearing will be held if significant written notices of opposition and requests for public hearing are received. Persons wishing to request a public hearing should submit the request in writing within thirty (30) days of the date of this notice, by September 11, 2006, to the EPA.

EPA reserves the right to cancel the public hearing if public interest in holding a hearing is not communicated to EPA by September 11, 2006. Even if a hearing is not held, all written comments will still be considered in reaching a final decision on this proposed action.

Please send request for a public hearing or written comments to:

Jan Palumbo (AWT-121) U.S. EPA Region 10 1200 Sixth Avenue Seattle, Washington 98101

ANYONE WHO HAS NOT REQUESTED A HEARING AND WHO WISHES TO ATTEND THE HEARING SHOULD CALL JAN PALUMBO OF EPA, AT (206) 553-6702 AFTER SEPTEMBER 11, 2006, TO FIND OUT IF THE SEPTEMBER 21, 2006 HEARING WILL BE HELD.

Richard Albright, Director Office of Air, Waste and Toxics